



## **SCHOOL FINANCE MEMORANDUM 15-004**

### **State of Arizona Department of Education**

TO: Superintendents, District Business Managers, Charter Business Managers, Charter Holders, and Administrators

FROM: Lyle Friesen, Director of School Finance

DATE: July 15, 2014

SUBJECT: School Finance Updates

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#### **SAIS Updates**

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1) **SAIS Submissions for FY 2015**

SAIS opened on July 1 and is ready to accept your FY 2015 data!

If you have incomplete or inaccurate FY 2014 data that must be updated, please submit an ARS§15-915 prior year data correction request. Guidelines for this request can be found [here](#). All requests will be processed after the FY 2014 recalculation has been completed.

2) **Charter School FY 2015 Estimated Counts Submissions**

A memo(14-053) providing deadlines and instructions for submitting Estimated Counts was distributed June 11. The memo is posted on our FY 2014 Memos webpage at

<http://www.azed.gov/administrators/SF/NumberedMemos/FY2014/Forms/PublicView.aspx>

Estimated counts are submitted by all charter schools, regardless of their sponsor, and represent an estimation of the “ADM” that the charter has projected will be generated based on students registered for FY 2015 (SY 2014-2015). When estimating, please do not submit all students as this is not a head count of the number of students registered, but instead is an estimation of ADM the registered students will generate. As a general rule of thumb, it is safer to estimate low rather than high. Overestimating will result in a reduction in payment amounts after reaching the 40<sup>th</sup> instructional day. Underestimating will result in increased payments after the 40<sup>th</sup> day.

School districts which have sponsored charter schools (DSCS) **should** submit estimated counts. In most cases, 40<sup>th</sup> day ADM for DSCS will not be available in time for the Expenditure Budget Analysis (BUDG25), which is required by October 30.

3) **LEA Calendar Submissions**

Memorandum (14-054) providing deadlines and instructions for submitting a FY 2015 calendar for your district/charter, as well as any applicable varying school calendars, was distributed June 11, 2014.

The memo is posted to our FY 2014 Memos webpage at

<http://www.azed.gov/administrators/SF/NumberedMemos/FY2014/Forms/PublicView.aspx>.

4) **FY 2014 Statewide Recalculation Schedule**

At the end of each fiscal year, ADE re-processes all Arizona district and charter school students through integrity and aggregation to calculate the final ADM for each LEA. The recalculation start date is scheduled for July 16, 2014. The deadlines to submit were previously published and are available below for your reference.

Type of School	Data Submission Deadline	Recalculation Start Date
Brick and Mortar (Non-online)	June 30, 2014 @ 5pm	July 16, 2014
Arizona Online Instruction (AOI)	July 15, 2014 @ 5pm	

5) **New Preschool FTE Integrity Rule**

As posted in our HOT TOPICS, a new integrity rule has been implemented for FY 2014 forward that requires preschool students to be reported to SAIS with an FTE of 0 or 0.5. Students reported with an FTE greater than 0.5 will now fail ADM integrity during the statewide recalculation and will not generate any ADM or state aid.

**A big thank you goes out to all the districts who have worked so diligently with us over the past couple of months to ensure their preschool data was revised prior to June 30.**

6) **FY 2015 District Sponsored and Operated Charter Schools**

[Laws 2014, 2<sup>nd</sup> Regular Session, Chapter 17 Section 1](#) amends A.R.S. §15-183 to prohibit school district governing boards from sponsoring or operating charter schools which begin initial operation after June 30, 2013. District sponsored charter schools (new or converted schools) which began operation after June 30, 2013, but before July 1, 2014 are allowed to continue operation through Fiscal Year 2014-2015 by amendments to Chapter 17 which are contained in [Laws 2014, 2<sup>nd</sup> Regular Session, Chapter 16, Section 1](#).

For district sponsored and operated charter schools in operation prior to July 1, 2013, beginning in Fiscal year 2014-2015, the average daily membership (ADM) is limited to 120% of the charter's Fiscal year 2013 ADM. ([Laws 2014, 2<sup>nd</sup> Regular Session, Chapter 16](#))

7) **FERPA Reminder**

In communication with School Finance, when referencing student, please use only the SAIS ID; do not include the student's name as name and SAIS ID together is considered personal information and that should not be shared via un-secure email. A student can be easily searched using just the SAIS ID by your Account Analyst.

**Payment Updates**

8) **FY15 District Additional Assistance (DAA) Reduction**

Pursuant to SB 1488 Sec 13 and 14, the Arizona Department of Education shall reduce the basic state aid by \$238,985,500, in district additional assistance (DAA), that otherwise would be apportioned to school districts statewide for fiscal year 2014-2015. The preliminary FY15 DAA reduction amount for both state aid and budget capacity will be available in School Finance's Hot Topic <http://www.azed.gov/finance/category/hot-topics/> by the end of July. The preliminary DAA reduction amount will be included by the August 1 payment. The DAA reduction will be recalculated and finalized once the FY14 statewide recalculation is completed.

9) **FY15 Rollover**

Pursuant to HB 2703 Sec 141., A-C, the Arizona State Board of Education shall defer, until July 1, 2015 but no later than July 12, 2015, \$930,727,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts during fiscal year 2014-2015. The preliminary FY15 rollover amount will be available in School Finance Hot Topic by end of July. The preliminary rollover amount will be included by the August 1 payment APOR64-1. The rollover amount will be recalculated and finalized once the FY14 statewide recalculation is done.

10) **District Cash Advance Request**

The memo for FY15 Cash Advance Requests and relevant forms are available on our site at the following link: <http://www.azed.gov/finance/district-cash-advance/>. Please note, the last month we are able to distribute a cash advance is in the March 1 apportionment, so all requests must be received by February 1, 2015.

11) **Charter Additional Assistance (CAA) Reduction**

Pursuant to [Laws 2013, 1st Special Session, Chapter 3, Section 54 \(HB2003\)](#), the Arizona Department of Education shall reduce by \$15,656,000 the amount of charter additional assistance (CAA) funding that otherwise would be apportioned to charter schools and school districts statewide for fiscal year 2014-2015. The preliminary CAA reduction amount will be available in School Finance's Hot Topic <http://www.azed.gov/finance/category/hot-topics/> by end of July. The preliminary CAA reduction amount will be included by the August 1 payment and can be found on the last page of the CHAR 64-1 report. One-twelfth (1/12) of the amount will be taken in the August 1 payment and the balance of the 11/12 amount will be taken equally from September to June 30 payment.

\*\*Please note: This is just the preliminary number; the final reduction amount will be recalculated once the 100th day ADM is available for all schools.

12) **New Charter Payment Forms**

To ensure new charters receive their monthly apportionment the following AZ State Treasury and General Accounting Office (GAO) forms need to be completed and submitted to the appropriate offices prior to the August 1, 2014 apportionment.

- AZ State Treasurer Recipient Bank Form: Click [here](#).  
Please contact Lorraine Jones at (602) 542-7818 for assistance with this form.
- General Accounting Office Forms (2): Please contact the General Accounting Office at (602) 542-5405 for assistance with these forms.
  - GAO-W-9 & Vendor Authorization Form: Click [here](#). GAO-ACH Vendor Authorization (form to set-up automated payment processing): Click [here](#).

**Note:** The use of these forms requires the user to have installed Adobe Reader, version 8.0 or later. Please click [here](#) to download the free Adobe Reader if needed.

## **General Updates**

### **13) School Finance Hot Topics**

Keep informed of upcoming events, deadlines and system updates by bookmarking our Hot Topics webpage and checking it often. All updates published by School Finance can be found on this page (<http://www.azed.gov/finance/category/hot-topics/>). These same Hot Topics can also be found on our home page at <http://www.azed.gov/finance/>.

### **14) Updating Your Contact Information**

Please make sure that your contact information is up-to-date. Any changes to entities should be sent to your [LEA Account Analyst](#). Changes related to individuals should be sent to [enterprise@azed.gov](mailto:enterprise@azed.gov). Charters must ensure changes are first approved through the Charter Board.

### **15) External Guidelines**

External guidelines are posted on our School Finance website. Next to each guideline is the effective date. As new guidelines become available, they will be posted for your review at: <http://www.azed.gov/finance/school-finance-external-guidelines/>

## **Questions?**

If you have any questions regarding these updates, please do not hesitate to contact the following individuals relating to these areas:

- **General Updates:** Email [schoolfinance@azed.gov](mailto:schoolfinance@azed.gov)
- **SAIS/ADM, SDER, and Transportation:** A listing of account analysts for each school district and charter holder is available on the School Finance web site at <http://www.azed.gov/Administrators/SF/Lists/LEAAccountAnalysts/AllItems.aspx>
- **Payment:** Email the School Finance payment team at [SFpaymentteam@azed.gov](mailto:SFpaymentteam@azed.gov)
- **Budget:** Email the School Finance budget team at [SFBudgetTeam@azed.gov](mailto:SFBudgetTeam@azed.gov).
- **Other Areas within ADE:**
  - ❖ **Title I, Maintenance of Effort, Stephanie Washington**  
[Stephanie.Washington@azed.gov](mailto:Stephanie.Washington@azed.gov), Education Program Specialist  
Tel: (602) 542-7466
  - ❖ **ESS, Maintenance of Effort,** [ESSFunding@azed.gov](mailto:ESSFunding@azed.gov), 602-542-3851
  - ❖ **ADE Support,** 602-542-7378 or 1-866-577-9636
  - ❖ **Grants Management** –Toll Free (844) 893-9789 or locally (602) 542-3901

Please let us know what we can do to better assist you. Send your suggestions to [SchoolFinance@azed.gov](mailto:SchoolFinance@azed.gov) and in the subject line type SUGGESTIONS.